

A Work Project, presented as part of the requirements for the Award of a Masters Degree in Management from the NOVA – School of Business and Economics.

# The challenges of a social enterprise with a broker model:

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The case of Plugged-in

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**January 7, 2013**

## ABSTRACT

### **The challenges of a social enterprise with a broker model: The case of Plugged-in**

The existing sources on the creation of new business are limited in providing assistance when it comes to specific challenges that the foundation team of an enterprise may face. Likewise, in the case of the social enterprise Plugged-in, there are key challenges with regard to the business model. In this work project, a benchmarking approach was chosen to address these challenges and to derive implications from the practices established by successful sample enterprises. Besides several best practices, potential approaches to solutions were identified and suggestions for further examination were given.

**Keywords:** Social enterprise, broker model, benchmarking

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## **1. Introduction**

In the literature, media, and on the internet, there are many sources that provide general or area-related assistance in the creation of new enterprises, whether they are commercial or social. However, there are business-specific challenges in the start-up of an enterprise. In the creation of the social enterprise “Plugged-in”, an online platform matching street artists with customers that need a performance for their event, the foundation team faces several challenges regarding the business model generation that cannot be overcome solely by the expertise provided by the above-mentioned sources. Being a member of Plugged-in, the author of this work project has the knowledge about the business model, about the key challenges and the motivation to find solutions. Hence, the objective of this work project is to identify approaches for solutions in order to overcome these challenges. To this end, a benchmarking of successful enterprises was conducted to identify successful practices and their approaches to the respective challenges. The paper is structured as follows. First, the terminology and starting questions are introduced and thereafter the methodology explained. Next, the business model of Plugged-in is described in more detail. In the next step, the selected enterprises are benchmarked and compared to distill shared features and outstanding individual policies. To conclude, an attempt is made to determine whether the findings help overcoming the challenges the business model of Plugged-in faces in a first step.

## **2. Literature review**

As a matter of fact, there is no generally accepted definition of the term ‘social enterprise’. However, existing definitions do not vary immensely and most of them name the creation of social value as one of the core elements. One of the most known definitions was developed by Mohammad Yunus. According to Yunus (2011) a social

enterprise is a “[...] non-loss, non-dividend company devoted to solving a social problem and owned by investors who reinvest all profits in expanding and improving the business.” The most common definitions usually prioritize the social value creation while economic gains represent a necessary but not a sufficient condition (Mair & Schoen, 2007). For example, Dees (1998) states the central criterion is mission-related impact and not wealth creation. Similarly, the European Economic and Social Committee highlight the primary not-for-profit orientation of a social enterprise, including the exclusion of surplus distribution to shareholders and owners (Rodert, 2011). For the purpose of this work project, a social enterprise is defined as a business that has both social and economic goals while trading for a social purpose and generating at least part of the income from trading (Haugh & Tracey, 2004). While there are broadly accepted concepts of success in commercial enterprises such as sales, market share, growth, or rate of return for example (Kay, 1993), the same measures do not apply to social enterprises. Despite the fact that certain social enterprises are referred to as successful in the media, there is no general agreement on what the necessary criteria for a “successful” social enterprise are. However, several authors identified communalities in the approaches of successful social enterprises towards certain elements of the business model, e.g. the creation of value networks, the procurement of strategic resources, and the management of the customer interface (Mair and Schoen, 2007). The Oxford dictionary defines success as “the accomplishment of an aim or purpose”<sup>1</sup>. According to the above-mentioned sources, this work project perceives a social enterprise as successful when it has or is going to have a measurable social impact as intended and - with considerably lower priority - reaches or is about to reach its financial break-even point.

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<sup>1</sup> <http://oxforddictionaries.com/definition/english/success>, accessed October 8, 2012

A business model is a simplifying model-based description of a business. Neither in science nor in practice, is a commonly accepted definition in place. According to Osterwalder and Pigneur (2009), “a business model describes the rationale of how an organization creates, delivers, and captures value.” Their work includes the development of a business model canvas which allows a visualization of a business model which is used later in this work project. For the purpose of this work project, the focus is on one type of business models, the broker model. A plausible definition by Weill et al. (2005) describes the main activity of a broker as matching potential buyers and sellers. Instead of taking ownership of a product or service sold, the broker receives a sales commission from the buyer or seller or both. In summary, in this work project a successful social enterprise with a broker model matches value creators and customers for a social purpose and generating income from this activity. While reaching its primary goal to create social value, it moreover reaches financial sustainability by charging a sales commission.

### **3. Questions**

In this work project an attempt is made to answer several questions. After the identification of key challenges of the social enterprise Plugged-in, this work project tries to find approaches to solutions for these challenges. The question is raised whether it helps comparing the business models of successful enterprises and applying the results to the business model of Plugged-in. It will be explored whether there are common approaches among successful enterprises and whether their solutions can be useful for the business model development of Plugged-in. Finally, it will be investigated in more detail which implications can be derived for the business model of Plugged-in.

#### **4. Methodology**

This work project seeks to find approaches for solutions to the key challenges that the business model of Plugged-in faces by comparing the practices of a selected sample of successful enterprises. The aim is to identify these enterprises' common approaches as well as outstanding policies of individual enterprises in the sample. Rudkin (2008) states that "benchmarking can help an organization to address challenges" – as this work project aims to achieve for the business model of Plugged-in. According to the author, by comparing an enterprise's practices with those of another, benchmarking constitutes "[...] a great opportunity to share good practice and solutions to common issues or problems." Saul (2004) states that "best practices are the product of benchmarking." The methods used to conduct the benchmarking are mainly based on observation and research. Data was gathered from two sources of data (Fong, Cheng, and Ho, 1998): Through primary sources original research data could be gathered by conducting personal interviews. Secondary sources mainly provide internet-based data due to the fact that all sample enterprises are, online-based. These data helped developing insights for Plugged-in in order to derive implications for how to overcome key challenges of the business model. The limitations of the sampling and data analysis are acknowledged, however, this study is a first step towards the identification of the right approaches to solutions for the challenges Plugged-in faces.

#### **5. Plugged-in**

In this section, first of all the social problem Plugged-in is addressing will be outlined. Next, the business model of Plugged-in will be adumbrated on the basis of the above-mentioned business model canvas by Osterwalder and Pigneur (2009). The tool has been chosen since it is one of the most widely used with a general approach compared

to others which focus on certain issues, e.g. investment (De Ridder, 2010). Due to the early stage of the enterprise, the current business model is incomplete, i.e. still lacking details of which some are to be identified throughout this work project. Finally, in order to identify the business model's key challenges for a further investigation, the business model of Plugged-in is visualized and examined in more detail.

**a. The social problem**

There are skilled and highly talented street artists in many cities across Europe, for example one of the most famous musicians, Eric Clapton, started out performing on London's streets.<sup>2</sup> During the prototype phase of the project it became clear that the general perception of street art is rather controversial even if people like a particular street performance. According to conversations with artists, they feel their performance is not seen as a form of work but something that they do because they do not have an occupation. Unfortunately, this is also coupled with the fact that they are constantly struggling to cover their monthly expenses since their income on the street it is unstable, irregular, and dependent on seasonal factors and people's charity. The fact that there are numerous organizations, projects, and institutions in place in cities like London that promote street art or support street artist (e.g. London Underground Busking<sup>3</sup> or Covent Garden street performer auditions<sup>4</sup>) shows that civic society has identified this problem of non-visibility of talent and the likeliness of society to disregard street artists, and is already trying to develop solutions. However, these initiatives are punctual and not prevalent in many cities, the problem is therefore neglected on a larger scale. For these reasons, there is a need for an extensive large-scale organization of street artists that changes the image of street art and integrates their performances in the working world.

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<sup>2</sup> [http://www.buskerworld.com/famous\\_buskers.html#ericclapton](http://www.buskerworld.com/famous_buskers.html#ericclapton), accessed December 7, 2012

<sup>3</sup> <http://www.tfl.gov.uk/corporate/projectsandschemes/2435.aspx>, accessed on December 7, 2012

<sup>4</sup> <http://www.coventgardenlondonuk.com/events-entertainment-culture/articles/street-performer-auditions>, accessed December 7, 2012

## **b. The solution**

Plugged-in is a social enterprise, addressing the social problem described above. The core of the enterprise is an online platform on which artists and customers are matched based on the artists' skills and availability as well as the customers' preferences.

### **i. The business model canvas of Plugged-in**

With the help of the business model canvas developed by Osterwalder and Pigneur (2009), the status quo of the business model of Plugged-in will be outlined. The business model is still being developed and only the information available up to this point will be provided. The visualization of the following table on the nine building blocks of the business model canvas can be found in Appendix A.

<b>Customer segments</b>	Plugged-in operates in a niche market catering to a specific customer segment on each side of the broker model. On the one side Plugged-in targets street artists in need of increasing both their reach of audience and income as well as professionalizing their art. The target customer who is matched with the respective street artist is looking for a solution to the problem of organizing an event requiring an original performance to enhance it. Specific requirements for this customer are a fast and easy booking of an artist that provides a high-quality performance at a low price.
<b>Value Proposition</b>	According to the needs of the customer booking a street artist, it is "an online service which offers the fast and easy booking of a talented street artist at a competitive price for an event." It takes into account the specific customer requirements and offers cost reduction, speed, convenience, social image, access to art and talented artists, as well as an original performance for the event.
<b>Channels</b>	So far, the main channel Plugged-in is using is the online platform in conjunction with Facebook and a blog to reach customers who seek to book an artist.
<b>Customer Relationships</b>	Provision of personal assistance to customers via a customer hotline and email. This service complements a customer self-service on the website in the form of features like FAQ and co-creation by the community such as a user forum.
<b>Revenue Streams</b>	It is planned to retrieve a service commission from the artist and the customer on each successful matching between a customer and an artist.
<b>Key Resources</b>	The key resources are the online platform, a diverse artist portfolio, and human resources in areas such as marketing, quality management, information technology, customer relationship management, and artist relationship management.
<b>Key Activities</b>	The most important activity is the maintenance and development of the online platform including activities such as the promotion of the platform, service provisioning, or the recruitment of new artists.
<b>Key Partnerships</b>	Plugged-in is still in need of the definition of key partnerships required to make the business model work. It is likely that the enterprise will be in need of diverse partners, for example for the artist recruitment, the artist support, photography services, as well as cities and institutions to enhance credibility.
<b>Cost Structure</b>	The business model of Plugged-in is cost-driven, meaning that planning and decision-making depend on the financial resources available. This includes a generally low budget and a maximum automation of processes.

Table 1: The nine building blocks of the business model canvas for Plugged-in



## **ii. The in-depth business model of Plugged-in**

Saul (2004) states that it is vital to take an in-depth look at an enterprise in order to identify the main areas of improvement. Therefore, the main processes underlying the business model of Plugged-in have been visualized in more detail (see Appendix B). Plugged-in is located in the middle column between the artist and the customer. First, Plugged-in communicates the business opportunity to the artists. If the artist decides to join the enterprise, she has to fulfill the basic requirements to apply online: Internet access, a bank account, and photos and videos. A quality check follows to ensure the validity of the applicant's data. If the application is approved, the system generates an artist profile. Plugged-in communicates the business to potential customers. If a person decides to book an artist, she checks the online platform for available artist according to her preferences. The system forwards her booking request to the artist who will confirm it or send a re-offer. According to the agreed upon terms by the artist and the customer in the final booking, the artist will perform at the customer's event and get paid. Plugged-in charges a service commission to the artist and the customer. Throughout the process, the business includes both customer- and artist relationship management.

## **iii. The key challenges of Plugged-in**

On the basis of the in-depth description of the business model of Plugged-in, the following nine key challenges, highlighted red in Appendix B, have been identified:

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| <ol style="list-style-type: none"><li>1. To reach the artists offline in order to communicate the business idea, benefits, or opportunities to them, especially those who do not have access to the Internet.</li><li>2. To enable the artists to meet the key requirements (internet access, bank account, and photo and video material) in order to register on the online platform where they can offer their value.</li><li>3. To ensure the validity of the data submitted by the artist.</li><li>4. To set the price for the value offered by the artist.</li><li>5. To create incentives or restrictions for the artist and the customer to use the online platform and to not cooperate directly in order to avoid service fees.</li><li>6. To deal with the consequences of cancellations from either side of the booking.</li><li>7. To create incentives or restrictions for the artist to be reliable regarding the quality of the service.</li><li>8. To identify the best time for the payment to the artist.</li><li>9. To create a source of income.</li></ol> |
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Table 2: The key challenges of the business model of Plugged-in

## **6. The benchmarking sample**

In this section, the selection of the enterprises will be presented. Next, the derivation of the questionnaire will be explained. It is not only important to focusing on “one thing” (Saul, 2004), but also to decide on which specific information to gather (Rudkin, 2008). Therefore, information about the sample of successful enterprises with broker models will be gathered on the basis of the key challenges Plugged-in faces.

### **a. The criteria for the selection of the benchmarking sample**

Plugged-in is intended to be founded as a social enterprise. However, the sample of enterprises to be benchmarked in this work project consists of both social and commercial enterprises because there are many sources stating that social enterprises inherent commercial approaches and thinking. For example, Austin et al. (2006) state that there are numerous similarities between social and commercial enterprises. For Dees (1998), there is a combination of a social mission and “[...] a business-like discipline, innovation, and determination.” Rudkin (2008) states that the number of enterprises to be compared in a benchmarking procedure can vary from very large-scale undertaking to a sample of only two or three enterprises. Fong, Cheung, and Ho (1998) suggest a shortlist of three to five candidates. In total, the sample of this work project consists of six enterprises of which three are social enterprises and three are commercial enterprises. This sample size allows gaining sufficient information in order to identify common approaches of good practices in successful broker models. However, the conclusions drawn can only be applied to this specific sample and are not to be generalized. The enterprises have been chosen based on specific criteria according to the envisioned business model of Plugged-in as explained by the business model canvas by Osterwalder and Pigneur (2009) above:

1. The business model has to be based on a broker model: The enterprise itself bridges between a creator of value and a customer. The value creator offers a service, product, or other kind of return to the customer for which she gets compensated.
2. The business model has to be online-based. This means that the existence of an office, store, or similar facility in which services or products are sold is not essential for the viability of the enterprise. There has to be an online platform on which the enterprise brings together the value creator and the customer.
3. Between the value creator and the customer there needs to be a transaction of value which is evaluable, be it tangible or intangible.
4. The enterprise has to operate on an international scale meaning it needs to operate in several countries and allow for cross-border transactions.
5. The enterprise has to be publicly recognized as successful, i.e. achieving its aims and purposes

Table 3: Criteria for the selection of the sample enterprises

### **b. The selected enterprises**

According to the above-mentioned criteria, the selected three social enterprises are Kickstarter, Kiva Microfunds (Kiva), and MYC4 and the three commercial enterprises are Amazon Services (Amazon), eBay, and Airbnb. All of the sample enterprises are based on an online broker model, each of them matching two parties for a transaction of value. Their online platforms are namely [www.kickstarter.com](http://www.kickstarter.com), [www.kiva.org](http://www.kiva.org), [www.myc4.com](http://www.myc4.com), [www.amazonservices.com](http://www.amazonservices.com), [www.ebay.com](http://www.ebay.com), and [www.airbnb.com](http://www.airbnb.com). The value transferred from value creator to customer varies in tangibility. Whereas eBay<sup>5</sup> and Amazon<sup>6</sup> match sellers and buyers of products and items, Airbnb matches hosts of places who rent out to guests<sup>7</sup>. Kickstarter matches project creators who seek backers to fund their projects<sup>8</sup>. Both Kiva<sup>9</sup> and MYC4<sup>10</sup> are brokers between lenders of loans and borrowers. All sample enterprises operate on an international scale: On their website, eBay states that it operates in numerous countries in almost all continents and allows for cross-border trade<sup>11</sup>. Selling on Amazon is feasible for sellers in more than one hundred countries worldwide.<sup>12</sup> Airbnb currently has listings in 192 countries.<sup>13</sup>

<sup>5</sup> <http://www.ebayinc.com/who>, accessed October 30, 2012

<sup>6</sup> <http://www.amazonservices.com/selling/faq.htm?id=AZFSSOAAS>, accessed October 30, 2012

<sup>7</sup> <https://www.airbnb.com/help/question/traveling/322>, accessed October 19, 2012

<sup>8</sup> <http://www.kickstarter.com/terms-of-use?ref=footer>, accessed October 25, 2012

<sup>9</sup> <http://www.kiva.org/about>, accessed October 24, 2012

<sup>10</sup> [http://www.myc4.com/About/WHAT\\_IS\\_MYC4](http://www.myc4.com/About/WHAT_IS_MYC4), accessed October 29, 2012

<sup>11</sup> <http://pages.ebay.com/help/policies/user-agreement.html>, accessed October 18, 2012

<sup>12</sup> [http://www.amazon.com/gp/help/customer/display.html/ref=hp\\_left\\_cn?ie=UTF8&nodeId=200417280](http://www.amazon.com/gp/help/customer/display.html/ref=hp_left_cn?ie=UTF8&nodeId=200417280) accessed October 30, 2012

<sup>13</sup> <https://www.airbnb.com>, accessed October 25, 2012

Projects registered on Kickstarter can be US-based, or since 2012 UK-based<sup>14</sup>; however backers can come from anywhere in the world.<sup>15</sup> At the moment, the number of countries represented by Kiva Users is 221 and the number of countries Kiva Field Partners are located in is 66.<sup>16</sup> The MYC4 website currently displays that 7,212,228 Euros have been lent by 19,316 investors from 117 countries to 10,504 small businesses in 7 African countries.<sup>17</sup> In the media, numerous sources can be found that identify the sample enterprises as “successful”.

### **c. The development of the questionnaire**

As a basis for comparison of the practices of the selected enterprises, a questionnaire was developed in order to collect information in a structured and comparable manner. In her step-by-step guide for benchmarking, Rudkin (2008) states that “questionnaires can be a very useful method of gathering information from lots of sources. The questionnaire contains nine open questions to be answered with the data and information gathered through research and observation. This is complemented by the results of interviews conducted with people related to the enterprise (eBay and Kiva). According to Rudkin (2008), “open questions encourage a detailed response, which can give you lots of useful information about why and how certain things have happened.” The questionnaire was derived from the key challenges of the business model of Plugged-in that have been identified above. As a result, the key challenges are transformed into the following questions:

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<sup>14</sup> <http://www.kickstarter.com/blog/kickstarter-in-the-uk>, accessed October 25, 2012

<sup>15</sup> <http://www.kickstarter.com/help/faq/backer%20questions>, accessed October 25, 2012

<sup>16</sup> <http://www.kiva.org/about/stats>, accessed October 24, 2012

<sup>17</sup> <http://www.myc4.com/>, accessed October 27, 2012

- |  |
|--|
| <ol style="list-style-type: none"> <li>1. Through which channels other than online does enterprise X reach the value creators in order to communicate the business idea, benefits, or opportunities to them, especially those who do not have access to internet?</li> <li>2. What are the key requirements for the value creators to register on enterprise X's online platform and how are they enabled to meet the key requirements in order to register on the online platform where they can offer their value?</li> <li>3. How does enterprise X ensure the validity of the data submitted by the value creator?</li> <li>4. Who sets the price for the value offered by the value creator and how is it determined?</li> <li>5. Which incentives or restrictions are in place to ensure that the value creator and the customer complete the transaction through enterprise X's online platform and do not cooperate directly in order to avoid fees?</li> <li>6. Which policy does enterprise X apply in the case of a cancellation from either side of the transaction between the value creator and the customer?</li> <li>7. Which incentives or restrictions are in place to ensure the value creator's reliability regarding the quality of the value delivery?</li> <li>8. At which point of the transaction does the payment occur?</li> <li>9. How does enterprise X generate income?</li> </ol> |
|--|

Table 4: The questionnaire

## **7. Benchmarking results**

This section comprises two parts. Firstly, the results of observation and research as well as of the interviews will be compared and analyzed question by question. The exploration of data focuses on the similarities between the six sample enterprises, and accordingly between sub groups of the sample. Additionally, outstanding solutions by individual enterprises will be highlighted. In the second part, these results will be used to derive implications for the business model of Plugged-in.

### **a. Comparison and analysis of the solutions by the sample enterprises**

In this section, the approaches to solutions by each sample enterprise for each question of the questionnaire are compared and analyzed.

**Question 1:** The first question splits up the sample into three groups. Whereas the first subgroup (Kickstarter and Airbnb) does not use other communication channels except for online channels, the second (Kiva and MYC4) and third (eBay and Amazon) subgroups apply the following policies:

<b>Kiva</b>	<b>MYC4</b>	<b>eBay</b>	<b>Amazon</b>
Outsourcing of most communication and operative processes with the value creators to local partner organizations.		Engagement in offline advertisement targeted not only at the value creator but also to the customer.	
With their knowledge of local peculiarities, Kiva's Field Partners, which are microfinance organizations (MFIs), social businesses, schools, or non-profit organizations, "do all the leg work" in order to enable the lending through Kiva. <sup>18</sup> This way and because the Field Partners mainly target "impoverished or marginalized areas", Kiva can reach value creators without Internet access. <sup>19</sup>	The so-called "MYC4 partners" engage in certain activities, such as approving loans. Since the value creator has to go to a local MYC4 partner in order to apply for a loan, MYC4 reaches value creators regardless of Internet access. <sup>20</sup>	Not only the use of common channels such as TV and print, but also the use of more novel advertisement tools such as organizing flashmobs, for instance. <sup>21</sup>	Use of common channels such as TV and print <sup>22</sup>

Table 5: Question 1

Hence, only Kiva and MYC4 specifically target value creators without internet access, whereas the other sample enterprises focus on customer segments without access.

**Question 2:** Regarding the second question, one element common to all six enterprises is the requirement of the value creator to register on the online platform with a profile having to fulfill certain requirements regarding her but also regarding the value offered.

<b>Kiva</b>	<b>MYC4</b>	<b>Kickstarter</b>	<b>Airbnb</b>	<b>eBay</b>	<b>Amazon</b>
The value creator is supported in meeting the necessary requirements by the local partner.		The value creator is responsible of the filling out of required information to register.			
Every Kiva Field Partner takes photos, collects stories and loan details, and uploads them on the Kiva website. <sup>23</sup>	From the individual partner profiles on MYC4's website it is obvious that each of the providers have different complementary services to credits offered, such as basic business training, for instance. <sup>24</sup>				

Table 6: Question 2 (1)

In comparison to the other four sample enterprises, Kiva and MYC4 seem to provide unequalled support for the value creators to be enabled to register on the online platform. However, in the cases of eBay and Airbnb, there are services which stand out in the sample to help the value creator:

<sup>18</sup> <http://www.kiva.org/about/how/even-more>, accessed October 24, 2012

<sup>19</sup> <http://www.kiva.org/about/risk/field-partner-role>, accessed October 24, 2012

<sup>20</sup> [http://www.myc4.com/About/HOW\\_DOES\\_MYC4\\_WORK](http://www.myc4.com/About/HOW_DOES_MYC4_WORK), accessed October 29, 2012

<sup>21</sup> Interview with Henri Huch

<sup>22</sup> <http://www.nytimes.com/2003/02/10/business/media-business-advertising-amazon-decides-go-for-powerful-form-advertising-lower.html>, accessed November 14, 2012

<sup>23</sup> <http://www.kiva.org/about/risk/field-partner-role>, accessed October 24, 2012

<sup>24</sup> <http://www.myc4.com/Invest/Providers>, accessed November 13, 2012

<b>eBay</b>	eBay does not only provide a translation service <sup>25</sup> but also a free and easily accessible customer service via telephone <sup>26</sup> .
<b>Airbnb</b>	Airbnb enables the hosts of places in the creation of video and photo material for their personal profile and listing. The “Photobooth” service allows the host to take a picture or video with her webcam which will be uploaded to the profile immediately. <sup>27</sup> The “free photography” service allows a host to have photos taken of her listing by a professional photographer at no charge. <sup>28</sup>

Table 7: Question 2 (2)

**Question 3:** When it comes to validating that the value creator applying to register on the online platform is a real person and provides correct data, the sample splits up in three sub-groups with different degrees of examination effort.

<b>Kiva</b>	<b>MYC4</b>	<b>eBay</b>	<b>Amazon</b>	<b>Kickstarter</b>	<b>Airbnb</b>
High degree of effort		Medium degree of effort		Low degree of effort	
Kiva and MYC4 place a high value on a personal contact between the partner and the borrower as well as on a thorough background check of the borrower. <sup>29</sup> Each borrower requesting a loan is reviewed individually <sup>30</sup> and a thorough evaluation of the business is conducted examining growth and repayment potential <sup>31</sup> .		Whereas Amazon mainly verifies users via telephone verification with a personal identification number <sup>32</sup> , eBay uses different verification methods per country which are stricter in proportion to the sales volume (in Germany for example, eBay conducts a “Schufa test” <sup>33</sup> to verify the seller’s name, address and birth date), however generally, the enterprise uses bank account verification in close cooperation with PayPal. <sup>34</sup>		Airbnb “does not perform background checks on users” <sup>35</sup> ; however the enterprise provides features to enhance safety and trust, such as contact between the host and the guest, photos, and reviews. <sup>36</sup> The host can furthermore opt to verify particular information on her profile, for instance a phone number or email address. <sup>37</sup> Likewise, Kickstarter conducts “only a quick review” and leaves the judgment of a project creator’s ability and validity to the backers. <sup>38</sup> In the setup process, Kickstarter does a bank account and identity verification. <sup>39</sup>	

Table 8: Question 3

In summary, most of the sample enterprises use at least a bank account, telephone, or email confirmation to verify the identity of the user.

**Question 4:** With regard to the determination of the price of the value offered, there are commonalities among the social enterprises and among the commercial enterprises:

<sup>25</sup> <http://pages.ebay.com/help/policies/user-agreement.html>, accessed November 8, 2012

<sup>26</sup> Interview with Henri Huch

<sup>27</sup> <https://www.airbnb.com/help/question/276>, accessed November 14, 2012

<sup>28</sup> [https://www.airbnb.com/info/why\\_host](https://www.airbnb.com/info/why_host), accessed October 30, 2012

<sup>29</sup> [http://www.myc4.com/About/MAIN\\_FAQ](http://www.myc4.com/About/MAIN_FAQ), accessed October 29, 2012

<sup>30</sup> <http://www.kiva.org/about/risk/field-partner-role#jqmWrapper>, accessed October 31, 2012

<sup>31</sup> [http://www.myc4.com/About/HOW\\_DOES\\_MYC4\\_WORK](http://www.myc4.com/About/HOW_DOES_MYC4_WORK), accessed October 29, 2012

<sup>32</sup> <http://www.amazon.com/gp/help/customer/display.html?nodeId=15846991#what>, accessed October 30, 2012

<sup>33</sup> “Schufa” stands for “Schutzgemeinschaft für allgemeine Kreditsicherung e. V.” and can be translated as General Credit Protection Agency. It is a privately organized German credit agency that protects their contractors against credit losses and loan defaults.

<sup>34</sup> Interview with Henri Huch

<sup>35</sup> <https://www.airbnb.com/help/question/4>, accessed October 30, 2012

<sup>36</sup> <https://www.airbnb.com/help/question/traveling/223>, accessed October 30, 2012

<sup>37</sup> <https://www.airbnb.com/help/question/336>, accessed October 30, 2012

<sup>38</sup> <http://www.kickstarter.com/help/faq/kickstarter%20basics?ref=nav>, accessed October 25, 2012

<sup>39</sup> <http://www.kickstarter.com/help/faq/creator%20questions#GettStar>, accessed October 25, 2012

<b>Kiva</b>	<b>MYC4</b>	<b>Kickstarter</b>	<b>Airbnb</b>	<b>eBay</b>	<b>Amazon</b>
The value creator sets a funding goal instead of a fixed price. However, there are slight differences in the determination of the final price.			The value creator sets the price for the value offered.		
The lender who issues a loan through Kiva, has to choose an amount between the minimum of 25€ and the entire amount. <sup>40</sup>	The same procedure as Kiva, starting at a minimum amount of 5€ <sup>41</sup> ; however it is always a Dutch auction where the lowest interest rate provided wins the bid <sup>42</sup> .	In the case of Kickstarter, it is the backer who determines the amount she wants to contribute. <sup>43</sup>	Airbnb allows for flexible and seasonal pricing of a place <sup>44</sup> and provides a tool to estimate the value of a place <sup>45</sup> .	The seller can opt to let the buyers determine the final price by running an auction instead of setting a fixed price. <sup>46</sup>	On Amazon, the seller chooses the price which has to include all costs and comply with minimum and maximum limitations. <sup>47</sup>

Table 9: Question 4

**Question 5:** In all cases, the highest incentive for a value creator to offer her service through the sample enterprises is both access to and reach of a larger and more diversified customer base worldwide:

<b>Kiva</b>	<b>MYC4</b>	<b>Kickstarter</b>	<b>Airbnb</b>	<b>eBay</b>	<b>Amazon</b>
For the borrowers who often come from “impoverished and marginalized areas” <sup>48</sup> , the online platform enables access to a banking system.		The value creator has the opportunity to reach “millions of people” <sup>49</sup> worldwide whom they would not have access to otherwise.			

Table 10: Question 5 (1)

EBay seems to have the most sophisticated incentive tools in order to make the sellers use the online platform: For business and private sellers, eBay provides convenience and automation of sales processes as well as the opportunity of enriching the profile through buyer feedback or potentially reaching prices above the expected amount by using the auction format. Additionally, there is a seller protection program in place.<sup>50</sup>

In most sample enterprises, the value creator is restricted in a way to make her continuing the transaction through the online platform:

<sup>40</sup> <http://www.kiva.org/about/how/even-more>, accessed October 24, 2012

<sup>41</sup> [http://www.myc4.com/About/MAIN\\_FAQ](http://www.myc4.com/About/MAIN_FAQ), accessed October 29, 2012

<sup>42</sup> [http://www.myc4.com/About/HOW\\_DOES\\_MYC4\\_WORK](http://www.myc4.com/About/HOW_DOES_MYC4_WORK), accessed October 29, 2012

<sup>43</sup> <http://www.kickstarter.com/help/faq/backer%20questions#BackAProj>, accessed October 29, 2012

<sup>44</sup> [https://www.airbnb.com/info/why\\_host](https://www.airbnb.com/info/why_host), accessed October 30, 2012

<sup>45</sup> <https://www.airbnb.com/help/question/52>, accessed October 30, 2012

<sup>46</sup> [http://pages.ebay.com/help/sell/starting\\_price.html](http://pages.ebay.com/help/sell/starting_price.html), accessed October 30, 2012

<sup>47</sup> <http://www.amazon.com/gp/help/customer/display.html?nodeId=1161238>, accessed October 30, 2012

<sup>48</sup> <http://www.kiva.org/about/risk/field-partner-role>, accessed October 24, 2012

<sup>49</sup> <http://www.kickstarter.com/help/faq/kickstarter%20basics?ref=nav>, accessed October 25, 2012

<sup>50</sup> Interview with Henri Huch



Kiva	MYC4	Airbnb	eBay
The borrowers are naturally restricted by the requirements in terms of credit-worthiness of the traditional banking systems.		Airbnb forecloses the exchange of contact information between value creator and customer by keeping telephone numbers and email addresses private until the transaction has been initiated <sup>51</sup> .	The circumvention of the online platform is prohibited in the mandatory user agreement: "While using eBay sites, services and tools, you will not: circumvent or manipulate our fee structure, the billing process, or fees owed to eBay". <sup>52</sup>

Table 11: Question 5 (2)

It is noticeable that for the customer, primarily incentives are in place in all six enterprises. There are commonalities among the social and the commercial ones:

Kiva	MYC4	Kickstarter	Airbnb	eBay	Amazon
Customer incentives are created by providing an added emotional value. On Kickstarter, backers are intrigued to contribute to a final funding goal not only because of a reward they receive but also because they are interested to see the project they support implemented; apparently, many backers support their friends or support an idea they are inspired by. <sup>53</sup> Similarly, Kiva successfully engages lenders by creating stories around the transaction process in the form of photos of the borrowers and monthly journal updates of the process made with the help of the lender's loan. <sup>54</sup>			EBay, Amazon Services and Airbnb have strong programs in terms of buyer protection <sup>55</sup> , safety features <sup>56</sup> and guarantees <sup>57</sup> . This shows the significance of such added services directed to the customer beyond the actual value transaction through the online platform.		

Table 12: Question 5 (3)

**Question 6:** The cancellation policies per enterprise rank from quite simple to sophisticated:

Kiva	MYC4	Kickstarter	Amazon	eBay	Airbnb
The lender agrees to lend money once she clicks the respective button online which is not revocable. <sup>58</sup> If a borrower defaults, Kiva provides the option for the lender to recover the amount lent. <sup>59</sup>	A backer can cancel a pledge in the system anytime; additionally, if she does not pay a pledge after 14 days she drops out and does receive the respective reward. Likewise, the project creator can cancel the funding and all pledges are immediately voided. <sup>60</sup>	In the case of Amazon and eBay, the buyers have the option to return a purchased item. <sup>61</sup> On both platforms, only the seller is able to cancel a transaction in the system. <sup>62</sup> Therefore, the buyer has to ask the seller for a cancellation in a given timeframe. <sup>63</sup>			In the cancellation program, the host can select policies from "flexible" to "super strict". <sup>64</sup> According to the policy, both the host and the guest have to comply with the presetting. Beforehand, Airbnb encourages the alteration of a booking <sup>65</sup> and communication between host and guest in order to avoid cancellations <sup>66</sup> . The service fee is refunded if the host cancels before the reservation starts. <sup>67</sup> However, there are several penalties in place for repeated host cancellations. <sup>68</sup>

Table 13: Question 6

<sup>51</sup> <https://www.airbnb.com/safety> accessed October 30, 2012

<sup>52</sup> <http://pages.ebay.com/help/policies/user-agreement.html>, accessed November 8, 2012

<sup>53</sup> [http://www.kickstarter.com/help/faq/kickstarter%20basics?ref=home\\_learn\\_more](http://www.kickstarter.com/help/faq/kickstarter%20basics?ref=home_learn_more), accessed November 15, 2012

<sup>54</sup> Interview with V.P.

<sup>55</sup> Interview with Henri Huch

<sup>56</sup> <https://www.airbnb.com/help/question/209>, accessed December 10, 2012

<sup>57</sup> <http://services.amazon.co.uk/services/sell-on-amazon/faq.html>, accessed November 13, 2012

<sup>58</sup> Interview V.P.

<sup>59</sup> <http://www.kiva.org/legal/terms>, accessed October 24, 2012

<sup>60</sup> <http://www.kickstarter.com/help/faq/creator%20questions#GettStar>, accessed October 25, 2012

<sup>61</sup> [http://www.amazon.com/gp/help/customer/display.html/ref=hp\\_left\\_cn?ie=UTF8&nodeId=1161280](http://www.amazon.com/gp/help/customer/display.html/ref=hp_left_cn?ie=UTF8&nodeId=1161280) accessed October 30, 2012

<sup>62</sup> <http://pages.ebay.com/help/buy/questions/unwanted-item.html>, accessed November 8, 2012

<sup>63</sup> <http://pages.ebay.com/help/sell/cancel-transaction-process.html#cancel> accessed November 8, 2012

<sup>64</sup> [https://www.airbnb.com/home/cancellation\\_policies#flexible\\_nav](https://www.airbnb.com/home/cancellation_policies#flexible_nav), accessed October 30, 2012

<sup>65</sup> <https://www.airbnb.com/help/question/166>, accessed October 30, 2012

<sup>66</sup> <https://www.airbnb.com/help/question/169> accessed October 30, 2012

<sup>67</sup> <https://www.airbnb.com/help/question/traveling/104>, accessed October 30, 2012

<sup>68</sup> <https://www.airbnb.com/help/question/166>, accessed October 30, 2012

**Question 7:** The greatest incentive for the value creators to provide a high-quality service in all six sample enterprises is to reach a good reputation on the respective platform for current and future transactions. On all platforms high performers are rewarded while low performers are penalized:

Kiva	MYC4	Kickstarter	Airbnb	eBay	Amazon
Borrowers with a good repayment history are provided with more loans in the future <sup>69</sup> while borrowers that default will have difficulties to receive another loan <sup>70</sup> .		On Kickstarter, a good reputation of a project leads to more community support and increases the likeliness to reach the funding goal <sup>71</sup> .	The sellers on eBay and Amazon as well as the hosts on Airbnb can expect more buyers and guests the better their reviews <sup>72</sup> or feedback rates <sup>73</sup> . In the case of eBay, top sellers get discounts on the sales provision when they have a good rating and no unsolved cases with regard to the buyer protection program. <sup>74</sup>		

Table 14: Question 7

**Question 8:** With regard to the point in time when the payment from the customer to the value creator takes place, the sample splits up in two sub-groups.

Kiva	MYC4	eBay	Kickstarter	Airbnb	Amazon
The value creator receives the payment before the value transaction.				The value creator receives the payment only after the value transaction.	
Lenders that issue a loan to a borrower through Kiva or MYC4 receive most parts of the value transaction such as journal updates, repayment, or interest rates only after they lent. <sup>75</sup>	For eBay the classic case is that the seller receives the money directly and then sends the item purchased by the buyer <sup>76</sup> .	After the payment is carried out because a project reaches its funding goal, the backers receive the respective rewards. <sup>77</sup>		The payment to the host occurs only 24 hours after the guest checks in. <sup>78</sup>	The seller gets paid only after the customer buys the product and the seller ships the item to her. <sup>79</sup>

Table 15: Question 8

However, there are emotional rewards to these value transactions, especially in the cases of Kiva, MYC4, and Kickstarter. The lender may receive it already before or during the lending process. Backers may receive the intangible part of the value transaction before the payment which is the emotional value of supporting a project.

<sup>69</sup> Interview V.P.

<sup>70</sup> [http://www.myc4.com/About/MAIN\\_FAQ](http://www.myc4.com/About/MAIN_FAQ), accessed October 29, 2012

<sup>71</sup> <http://www.kickstarter.com/help/faq/creator%20questions#GettStar>, accessed November 15, 2012

<sup>72</sup> <https://www.airbnb.com/safety>, accessed October 30, 2012

<sup>73</sup> <http://www.amazonservices.com/selling/faq.htm?ld=AZFSSOAAS> accessed October 30, 2012

<sup>74</sup> Interview Henri Huch

<sup>75</sup> [http://www.myc4.com/About/HOW\\_DOES\\_MYC4\\_WORK](http://www.myc4.com/About/HOW_DOES_MYC4_WORK), accessed October 29, 2012

<sup>76</sup> Interview Henri Huch

<sup>77</sup> <http://www.kickstarter.com/help/faq/kickstarter%20basics?ref=nav>, accessed October 25, 2012

<sup>78</sup> <https://www.airbnb.com/safety>, accessed October 30, 2012

<sup>79</sup> [http://www.amazonservices.com/content/sell-on-amazon.htm/ref=footer\\_soa?ld=AZFSSOA](http://www.amazonservices.com/content/sell-on-amazon.htm/ref=footer_soa?ld=AZFSSOA) accessed October 30, 2012

**Question 9:** All sample enterprises except for Kiva and MYC4 charge the value creator a sales commission. This is due to the fact that both enterprises work through partner institutions that already take a service fee from the borrower.<sup>80</sup>

<b>Kiva</b>	<b>MYC4</b>	<b>eBay</b>	<b>Amazon</b>	<b>Kickstarter</b>	<b>Airbnb</b>
Charge customer		Charge value creator			Charges both
Kiva generates revenue through an optional provision of 10%. <sup>81</sup>	MYC4 charges the lender a closing fee of 2% and an interest commission of 6% on a declining balance on all loans. <sup>82</sup>	Ebay charges the value creator an insertion fee, a final value fee, and optional fees to improve the appearance of a listing. <sup>83</sup>	Amazon charges the value creator a country-specific per-item fee payable on sale of the item and a monthly subscription fee as soon as the seller exceeds a certain sales volume. <sup>84</sup>	Kickstarter charges a fee of 5% on all funds collected when a project is successfully funded. <sup>85</sup>	Airbnb does not only charge the host a 3% fee on every booking that is completed but additionally charges the guest a service fee between 6 and 12% depending on the total amount paid. <sup>86</sup>

Table 16: Question 9

Both eBay and Amazon offer additional services from which they generate revenue, such as monthly subscription fees for online web stores<sup>87</sup> as well as from online advertisement<sup>88</sup>.

In summary, it is noticeable that with regard to most questions, there is either a common solution that can be found in the whole sample, or at least in a sub-group of enterprises. In some cases, particular sample enterprises have individual outstanding solutions. The results of this section constitutes the basis to derive implications for the way in which Plugged-in can go about to tackle the key challenges that the business model faces.

<sup>80</sup> Interview V.P.

<sup>81</sup> [http://media.kiva.org/INNOV0201\\_flannery\\_kiva.pdf](http://media.kiva.org/INNOV0201_flannery_kiva.pdf)

<sup>82</sup> [http://www.myc4.com/About/MAIN\\_FAQ](http://www.myc4.com/About/MAIN_FAQ), accessed October 29, 2012

<sup>83</sup> <http://pages.ebay.com/help/sell/fees.html> accessed October 30, 2012

<sup>84</sup> <http://services.amazon.co.uk/services/sell-on-amazon/one-european-account.html>, accessed November 13, 2012

<sup>85</sup> <http://www.kickstarter.com/help/faq/kickstarter%20basics?ref=nav>, accessed October 29, 2012

<sup>86</sup> <https://www.airbnb.com/help/question/traveling/104> accessed October 30, 2012

<sup>87</sup> Interview Henri Huch

<sup>88</sup> <http://www.amazonservices.com>, accessed November 12, 2012

## **b. Implications for Plugged-in**

It is difficult to determine which practices identified during the benchmarking are best and there is certainly no obvious “one-size-fits-all” solution to each challenge (Saul, 2004). Therefore, the comparison and analysis of the similar approaches to solutions by the sample enterprises provide implications for Plugged-in in a first step which can lead to concrete solutions after a further examination. In this section, the implications and suggested starting points for investigation will be summarized per question.

### **Question 1:**

- With a cost-driven cost structure it is not recommendable to engage in costly TV or print advertising as do eBay and Amazon. However, non-costly advertisement tools such as flashmobs used by eBay are recommendable since they obviously work well as an offline marketing tool and moreover can easily have a thematic relation to the street.
- Airbnb and Kickstarter represent successful enterprises without using essential offline channels. An analysis of the street artist profile, in order to determine the number of artists with online activity for instance, is required to decide whether it could be sufficient to focus on online channels to reach potential value creators.
- Based on this analysis it might be necessary to consider local partnerships. However, such partnerships for parts of the artist relationship management, e.g. the handling of artist recruitment or the application process could be helpful beyond that. A stakeholder analysis as well as a search for potential local partners might lead to a clearer picture about the possible partnerships.

Table 17: Implications for question 1

### **Question 2:**

- Although four out of the six sample enterprises opt not to provide an extensive support to the value creators, it may be senseful for Plugged-in to do so depending on the results of the above-mentioned artist profile analysis. Should the result show that only a small number of artists is able to meet the initial requirements for a registration, Plugged-in should engage in an analysis of which services could be provided by the enterprise itself and how potential partners could enable artists to meet the standards.
- With regard to good-quality photo and video material, Plugged-in can learn a lesson from Airbnb providing an outstanding photography service which increases the host's probability to rent a space and at the same time enhances the overall appearance of the website.

Table 18: Implications for question 2

### **Question 3:**

- To validate the data provided by the artist, Plugged-in should at least engage in a bank account, telephone, or email verification like all sample enterprises.
- It is necessary to determine the degree of examination effort that the enterprise wants or must engage in. With regard to this, a further analysis of the legal context and potential liabilities the enterprise may face is recommendable. Moreover, a survey among potential customers and artists could help in finding the degree of verification the enterprise has to engage in to reduce risk and increase bookings.

Table 19: Implications for question 3

#### Question 4:

- The benchmarking has clearly shown that in all sample enterprises, it is the value creator who sets the price for her value offered either in the form of a funding goal or a fixed price.
- An auction format, in which the customer with the best offer wins the bid, can be excluded as an option for Plugged-in since the customer requests a particular booking of a particular artist who will perform according to the customer's wishes.
- The price can hence only be determined by the artist herself, taking into account preparation, material cost, and performance.

Table 20: Implications for question 4

#### Question 5:

- The most important advantage for the value creators on each platform is the access to and reaching of a larger and more diversified audience worldwide. This should also be a feature of Plugged-in.
- Furthermore, incentives should be created by automating the booking process as much as possible in order to make it very easy and convenient for the artist to offer their services and for the customer to book them.
- In terms of restrictions, it is worthwhile to investigate further the withholding of contact information until a booking has been initiated. However, this tool does not prevent the circumvention of the platform in a repeated booking of the same artist.
- In any case, the artist and the customer should agree to terms and conditions that explicitly prohibit the circumvention of the booking system.
- On the customer side, the analysis showed a high importance of providing a number of added services as incentives beyond the value offered by the value creator. In this context, the buyer protection programs established by the commercial enterprises of the sample can be the starting point to develop an own program. Additionally, Plugged-in can take Kiva or Kickstarter as an example to enhance the customer incentives for example by creating stories around the artists and their performances, and by giving customers the option to track the artist they booked and her progress.

Table 21: Implications for question 5

#### Question 6:

- The analysis showed very different types of cancellation policies and there is no obvious best practice among the sample enterprises.
- However, the customer booking an artist for an event should be able to determine to which point in time before the event she requires a notice of cancellation. This also leaves more time to find a substituting artist for the respective event. Therefore it makes sense for Plugged-in to look at the system in place at Airbnb.
- Moreover, an artist that repeatedly cancels booked events after the customer's deadline should be punished similarly to the host on Airbnb.

Table 22: Implications for question 6

#### Question 7:

- The benchmarking analysis shows that the successful sample enterprises created systems in which high performers are rewarded and low performers are penalized. Therefore, Plugged-in should develop rewards for artists that provide a high-quality service and punishment for artists that do not.
- A feedback system through which the customer rates the artist's performance according to the most important criteria could serve to identify high- and low performers.
- After the example of eBay, it could be an incentive for artists with high booking rates and high feedback rates to receive a discount on the sales commission.

Table 23: Implications for question 7

### Question 8:

- The analysis did not result in a best practice with regard to the point in time when the payment should occur. A further investigation might be required to reveal the artists' and customers' needs in terms of risk, incentives, and advantages. For example, an artist might require part of the payment upfront for allowance but the incentive to perform reliably might decrease if the payment occurred before the booked performance.
- Furthermore, emotional values could play an important role and could be received by the customer before, during, and after a booked performance. An analysis of the different types of values should be included in the decision-making about the point in time of the payment.

Table 24: Implications for question 8

### Question 9:

- The majority of the sample enterprises generates revenue by charging the value creator a sales commission. However, two enterprises charge only the customer and one even both sides. Additionally, the percentages charged from either side range from 2% to 12%. It is therefore not possible to derive a best practice.
- However, further investigation is needed to help arriving at a solution. Beyond a cost analysis to determine the revenue required to break-even, the spending capacity of both the artist and the customer should be analyzed, for instance by the above-mentioned artist profile analysis and a customer survey.

Table 25: Implications for question 9

In summary, the benchmarking of the sample of successful enterprises has resulted in valuable implications for the key challenges in the business model of Plugged-in. Although there are challenges which remain without clear implications, suggestions for further examination could be derived. In many cases, the sample has shown best practices that can be found in all enterprises.

## 8. Conclusion

In order to find approaches to solutions in order for the social enterprise Plugged-in to overcome the key challenges of its business model, a benchmarking of six successful enterprises with an online broker model has been conducted. Based on the key challenges identified in the business model, a questionnaire with nine open questions was developed and filled out by data gathering through research and personal interviews. The comparison and analysis of the practices of the sample enterprises has led to results that serve as implications for the key challenges that were identified in the

business model of Plugged-in. More importantly, a list of practices that all six sample enterprises engage in could be identified:

1. Using at least a bank account, telephone or email confirmation to verify the identity of the value creator.
2. Having the value creator determine the price for the value offered.
3. Including the access to and reach of a larger and more diversified customer base worldwide as an essential element of the value proposition to the artist.
4. Providing the customer and the artist a user-friendly experience on the website through automation of processes.
5. Having the artist and the customer agree to terms and conditions that explicitly prohibit the circumvention of the booking system.
6. Providing added values in the form of complementary services to the customer which creates value beyond the booking of the artist's services.
7. To establish incentives for the artists to provide a high-quality service to the customer, a system should be developed in which high performers are rewarded and low performers are penalized.

Table 26: List of best practices

However, due to the small sample size, a generalization of results is not possible. The limitations of the sampling and data analysis are acknowledged, however, this study is a first step towards the identification of the right approaches to solutions for the challenges Plugged-in faces. The benchmarking has not resulted in the identification of best practices for all key challenges that Plugged-in faces. However, in these cases suggestions for further investigations was given, above all the analysis of the street artist profile. In order to arrive at solutions, it should at least include the artists' online activity and internet skills, their ability to meet the requirements to register on the platform, their requirements regarding the point in time of the payment, and their spending capacity. A survey among current and potential customers might also help refining the benchmarking results including their requirements regarding risk, payment, and degree of required customer support, for instance. As a next step, Plugged-in should engage in the development of an implementation strategy of the best practices that were identified. In addition to that, the key challenges which remain without a concrete approach of solution should be addressed by further analysis and surveys as suggested.

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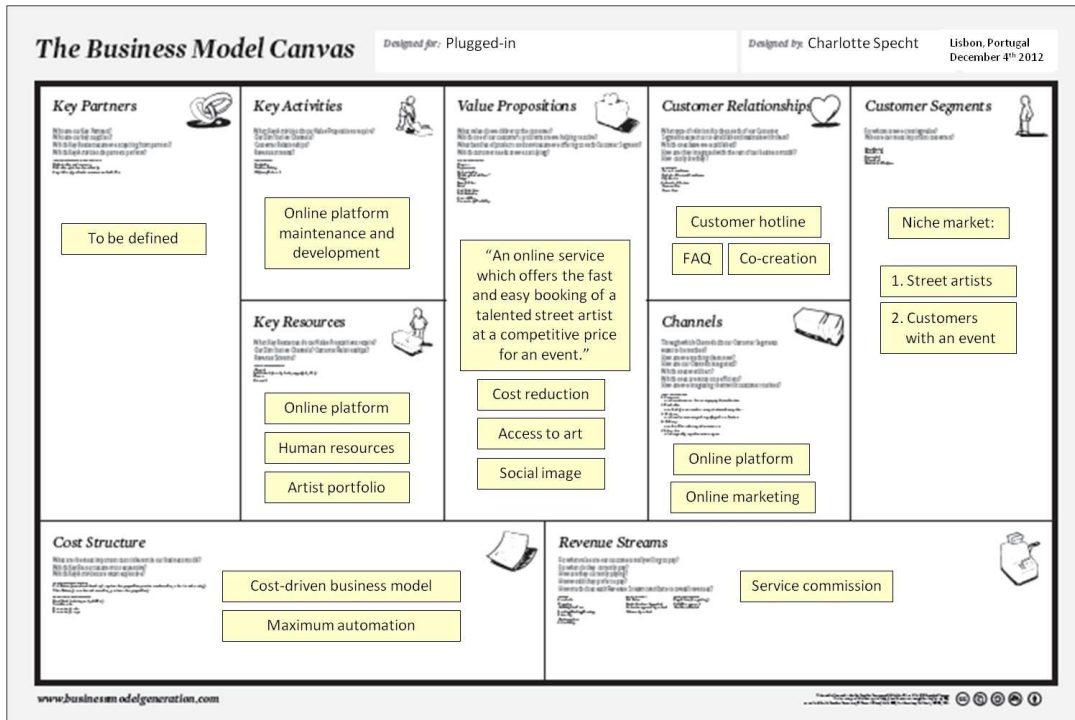
#### **INTERVIEWS (see separate booklet)**

**Interview with Henri Huch,** Manager EU Managed Marketplace, Skype, 41:27 minutes, November 9, 2012

**Interview with V.P. ,** Kiva Fellow of the 8<sup>th</sup> class for Armenia and Bosnia, Skype, 50:34 minutes, November 25, 2012

## 10. Appendices

### Appendix A: Business model canvas for Plugged-in



### Appendix B: Visualization of the business model of Plugged-in:

